



Department of Justice

June 14, 1993

**SUMMARY OF ANTITRUST ENFORCEMENT ACTIONS
FOR PUBLIC RELEASE
FOR MONDAY JUNE 7, 1993 THROUGH FRIDAY, JUNE 11, 1993**

6/8/93 U.S. v. Russell-Stanley Corporation
Criminal No.: 93-299 (E.D. Pa.)

Three-count information was filed in U.S. District Court in Philadelphia, Pennsylvania, charging Russell-Stanley Corporation of Red Bank, New Jersey, with fixing the prices, in violation of Section 1 of the Sherman Act, of new steel drums offered for sale to customers in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, eastern New York, eastern Pennsylvania, New Jersey, Maryland, Delaware, Virginia and the District of Columbia. Russell-Stanley Corporation was also charged with one count of mail fraud, 18 U.S.C. § 1341 and one count of obstruction of justice, 18 U.S.C. § 1503.

6/9/93 U.S. v. Primestar Partners, L.P., et al.
Civil No.: 93-CIV-3913 (S.D.N.Y.)

A civil complaint was filed in U.S. District Court in the Southern District of New York, against Primestar Partners L.P., its 10 member companies, and the parent companies of its multiple system operator members. Primestar Partners, L.P., based in Bala Cynwyd, Pennsylvania, is a joint venture partnership formed by some of the nation's largest cable television companies, some of which are

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also leading suppliers of video programming. Simultaneously, a consent decree was filed which, if approved by the court, will resolve the suit.

The defendant Primestar members and their principal offices are:

- ATC Satellite Inc., Stamford, CT;
- Comcast DBS Inc., Philadelphia, PA;
- Continental Satellite Company Inc., Findlay, OH;
- Cox Satellite Inc., Atlanta, GA;
- GE Americom Services Inc., a subsidiary of General Electric Co., with its principal office in Princeton, NJ;
- New Vision Satellite, East Syracuse, NY;
- TCI K-1 Inc., Denver, CO;
- United Artists K-1 Investments Inc., Denver, CO;
- Viacom K-Band Inc., New York City, NY;
- Warner Cable SSD Inc., Stamford, CT.

Seven multiple cable system operators (MSOs) that are corporate parents of Primestar members were also named as defendants:

- Tele-Communications Inc., Denver, CO;
- Time Warner Inc., New York City, NY;
- Continental Cablevision Inc., Boston, MA;
- Comcast Corporation, Philadelphia, PA;
- Cox Enterprises Inc., Atlanta, GA;
- Newhouse Broadcasting Corporation, East Syracuse, NY;
- Viacom Inc., Dedham, MA.

Primestar was formed in order to offer a multichannel subscription television service, called "Primestar," which is transmitted directly to consumers via a medium-power satellite owned by GE American Communications Inc. This type of service, commonly referred to as direct broadcast satellite (DBS), uses a relatively small home satellite dish that is less expensive to install than large home satellite dishes and is a potential substitute for cable television service. The complaint alleged that the defendants engaged in a continuing agreement, combination and conspiracy to restrain competition in multichannel subscription television service by forming Primestar Partners, L.P. to block other firms from entering the DBS business in violation of Section 1 of the Sherman Act. The complaint also alleged that the effect of the Primestar venture has been to delay, if not prevent, entry into the DBS business through an agreement to restrict access to programming owned or controlled by the venture's partners

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to other companies that want to start a competing DBS service. "Without adequate programming, a service competitive with existing cable monopolies can't get off the ground," said John W. Clark, Acting Assistant Attorney General in charge of the Antitrust Division. "Primestar's formation made programming much more difficult to obtain, and deterred entry by others." The consent decree forbids the defendants from enforcing any provision of the Primestar partnership agreement that affects the availability, price, terms, or conditions of programming to any provider of multichannel subscription television. The decree further prohibits the defendants from agreeing to take any action against a person who provides programming to, or invests in, any provider of multichannel subscription television. The decree also prohibits the MSO defendants from reaching agreements with each other that would affect the availability, price, terms or conditions on which programming could be made available to other providers of multichannel subscription television. The decree prohibits the MSO defendants from entering into or renewing any agreements with specified programming services that contain exclusive distribution provisions. The decree would prevent the possible anticompetitive consequences of the Primestar venture, while still allowing Primestar to continue to provide DBS service to consumers.

6/10/93

U.S. v. Avin Oshiro

Criminal No.: 93-0302VRW (N.D. Cal.)

One-count information was filed in U.S. District court in San Francisco, California, charging Avin Oshiro, former sales engineer for McElhiney & Associates, dba Trane Pacific Services in Hawaii, with making false statements (18 U.S.C. § 1001) to the Department of the Navy in a certification attached to an offer submitted to the Navy as part of Trane Pacific Service's bid on water chillers to be installed in the Navy Public Works Center, Honolulu, Hawaii.

Copies of legal filings are available from the Legal Procedure Unit, Antitrust Division, Room 3233, Telephone No.: 514-2481.